



Department of Justice

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WATERTOWN AREA HOSPITAL SETTLES HEALTH CARE LAWSUIT

SYRACUSE, NEW YORK - United States Attorney Richard S. Hartunian announced today that his office has settled a civil action under the False Claims Act, against the Carthage Area Hospital. This case involves allegations that the Carthage Area Hospital ("Carthage") double-billed Medicare for operating room services and ambulatory services from September 1, 2006 through June 30, 2010. Carthage submitted approximately 1900 claims for payment to Medicare which improperly contained both revenue code 360 (operating room services) and revenue code 490 (ambulatory surgery).

The parties have agreed to a civil resolution of this case, in which Carthage will pay the United States \$750,000.00. While the United States was entitled to seek double or treble damages plus fines and penalties under the False Claims Act, this settlement reflects single damages (the approximate amount of the excess billing), in light of the unique circumstances of this case and the full cooperation of Carthage throughout this investigation.

Richard S. Hartunian, United States Attorney for the Northern District of New York, stated that "Health care fraud is a priority of the Department of Justice and this office. This settlement reflects an appropriate resolution of this case in light of the circumstances. We wish to recognize the full cooperation of Carthage throughout this investigation."

This case was investigated by the U.S. Department of Health and Human Services, Office of the Inspector General ("HHS OIG"). The excess billing was confirmed by the HHS OIG investigation, as well as a self-audit conducted by Carthage.

This matter is assigned to Assistant U.S. Attorney Charles E. Roberts. News inquiries should be directed to Executive Assistant United States Attorney John Duncan, tele. (315) 448-0672.

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